

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY REGION III 1650 Arch Street Philadelphia, Pennsylvania 19103-2029

MAR 3 0 2012

The Honorable Michael L. Krancer, Secretary Pennsylvania Department of Environmental Protection Rachel Carson State Office Building P.O. Box 2063 Harrisburg, Pennsylvania 17105-2063

Dear Secretary Krancer:

Thank you for your letter of March 20, 2012 to the U.S. Environmental Protection Agency (EPA) concerning potential supply issues in the Pittsburgh area. In light of recent East Coast refinery closures and U.S. Energy Information Administration (EIA) report on the fuel supply outlook for the East Coast Region, let me assure you that EPA and our Federal partners have been carefully monitoring the fuel supply situation in Pennsylvania and, in particular, the Pittsburgh-Beaver Valley area.

In the event of a fuel supply emergency, the Clean Air Act authorizes the EPA Administrator, with the concurrence of the Department of Energy, to temporarily waive a fuel or fuel additive requirement if it alleviates the supply emergency, and if specific Clean Air Act criteria for waiver issuance are met. Since Hurricane Katrina, EPA has exercised this authority nationally on a number of occasions, including a waiver issued for the Pittsburgh-Beaver Valley area last summer in response to a temporary shutdown of the Buckeye Pipeline due to flooding in South Central Pennsylvania caused by Hurricane Irene and Tropical Storm Lee. In the event that Pennsylvania requests a waiver, EPA will act promptly to evaluate the Commonwealth's request. If the criteria established under the statute are met, EPA will grant such a waiver.

I was encouraged by our recent discussion regarding the use of federal reformulated gasoline (RFG), both as a short term compliance option to comply with the Commonwealth's vapor pressure (RVP) control program and potentially as a longer term solution to the recurring seasonal transition issues that stem from the small market nature of the seasonal state fuel program. Given the recent activity on a bill in the General Assembly which would direct the removal of the legal authority for the Pittsburgh fuel program and the ongoing changes in the refining and fuel distribution network, I was encouraged to hear that your agency will be considering potential replacement programs, including RFG, that would achieve the air quality benefit relied upon by the Commonwealth's State Implementation Plan for the Pittsburgh-Beaver Valley area.

We offer our technical assistance and will continue to work with you and your staff at the Department of Environmental Protection, as well as with the gasoline production and distribution industry, to ensure we have open lines of communication. If you have any questions, please do not hesitate to contact me or have your staff contact Dr. Jennie Saxe, EPA's Pennsylvania Liaison, at 215-814-5806.

Sincerely.

Regional Administrator